

DIVISION OF FINANCE

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Debra Hardman
Acting Commissioner

March 3, 2017

The attached report represents a consolidation of Reports of Condition and Income filed by state-chartered banks with the Missouri Division of Finance as of December 31, 2016, and a comparison with the statements filed one year earlier. Also included is a comparison of financial statements of state-chartered and national banks.

During the previous twelve months, the number of state-chartered banks and trust companies reduced from 261 to 253. During these past twelve months nine banks merged into other institutions, one non-deposit trust company merged into another institution and two new state bank charters were granted as two national institutions converted to state chartered banks.

Assets in state-chartered banks totaled \$122.6 billion on December 31, 2016, an increase of 8.6 percent from one year earlier. Deposits were \$102.3 billion and total loans were \$78.1 billion on December 31, 2016, an increase for both of 9.5 percent from one year earlier.

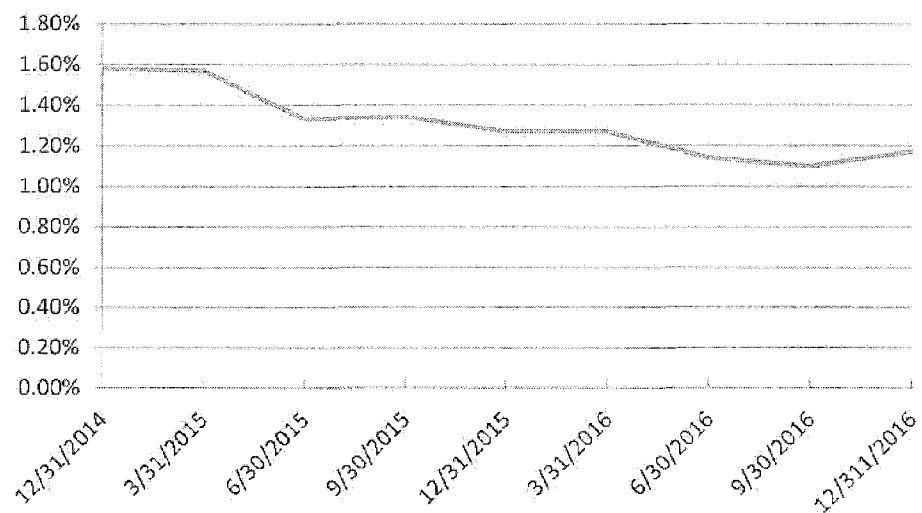
The overall condition of Missouri state-chartered banks continues to improve. The attached graphs illustrate improvement in several component areas. Asset quality has improved, with the past due ratio stabilizing at a manageable 1.17 percent down from 1.27 percent one year earlier. The return on assets remains strong at 1.05 percent, despite a compressed and shrinking net interest margin. The median return on assets for state-chartered banks is 0.97 percent as of December 31, 2016.

Capital remains strong, as the Tier 1 Leverage Capital ratio is 9.47 percent of total assets.

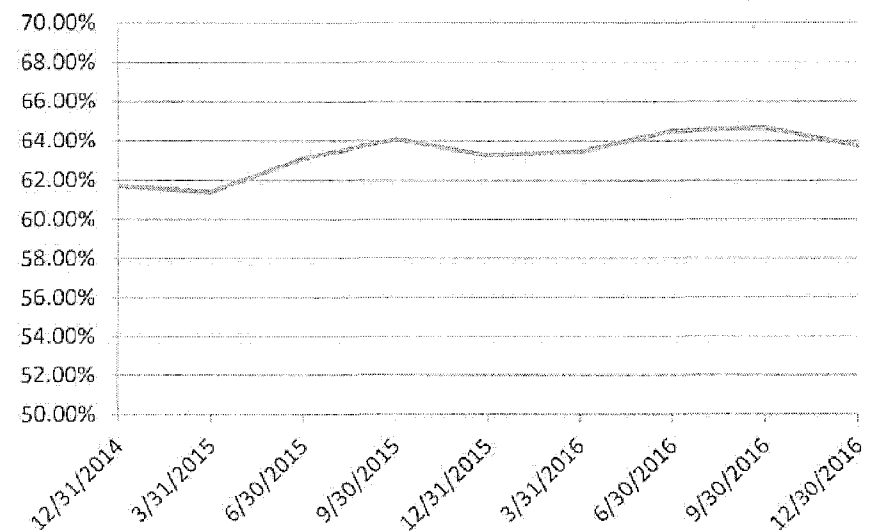
A handwritten signature in cursive script that reads "Debra Hardman".

Debra Hardman
Acting Commissioner

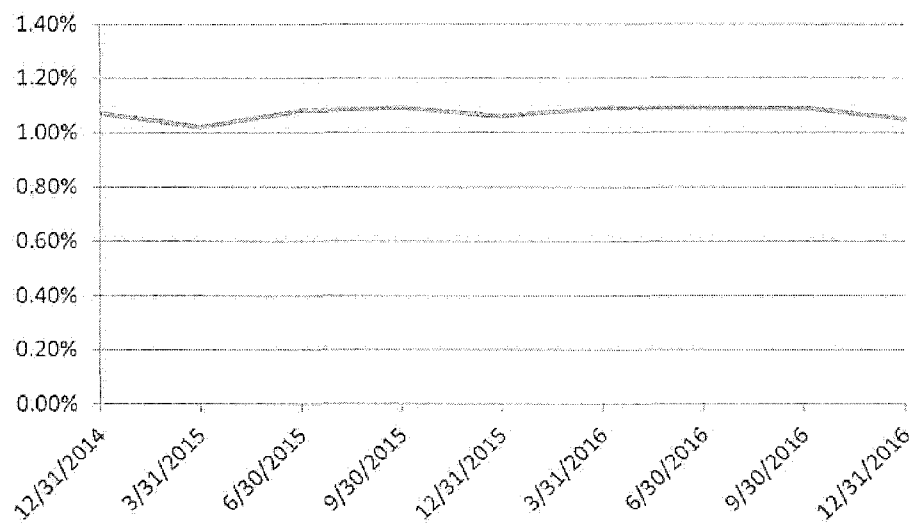
PAST DUE LOANS TO TOTAL LOANS



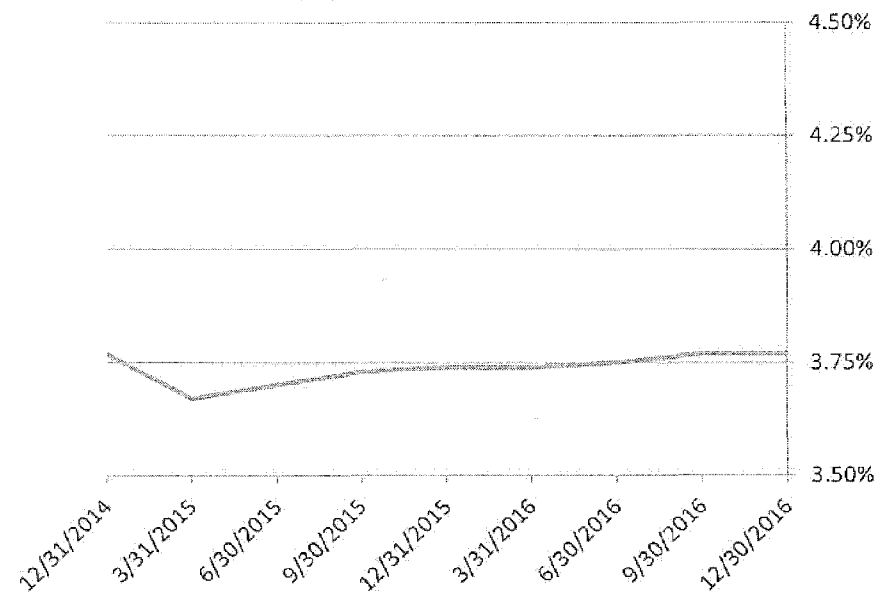
Loans/Assets



RETURN ON ASSETS



NET INTEREST MARGIN



**COMPARATIVE STATEMENT OF CONDITION
STATE BANKS AND TRUST COMPANIES IN MISSOURI
AS OF DECEMBER 31, 2016**

THOUSANDS OF DOLLARS	253 BANKS 12/31/2016	261 BANKS 12/31/2015	INCREASE DECREASE()	PERCENT CHANGE
ASSETS				
Total Loans	\$78,115,926	\$71,363,742	\$6,752,184	9.5%
Allowance for Loan Losses	993,420	993,469	(49)	0.0%
Total Assets	122,557,402	112,808,138	9,749,264	8.6%
LIABILITIES				
Total Deposits	102,328,523	93,452,916	8,875,607	9.5%
Total Equity Capital	12,280,076	11,344,135	935,941	8.3%

OPERATING RATIOS	12/31/2016	12/31/2015	CHANGE
Equity Capital/Assets	10.02%	10.06%	-0.04%
Tangible Equity Capital/Assets	9.47%	9.51%	-0.04%
Capital and Allowance for Loan Losses/Assets	10.74%	10.84%	-0.10%
Total Loans/Assets	63.74%	63.26%	0.48%
Past Due and Nonaccrual Loans/Total Loans	1.17%	1.27%	-0.10%
Allowance for Loan Losses/Total Loans	1.27%	1.39%	-0.12%
Average Net Interest Margin	3.77%	3.74%	0.03%
Return on Assets	1.05%	1.06%	-0.01%

NOTES:

Numbers do not include four nondeposit trust companies.

**COMPARATIVE STATEMENT OF CONDITION
STATE AND NATIONAL BANKS IN MISSOURI
AS OF DECEMBER 31, 2016**

MILLIONS OF DOLLARS	12/31/2016			12/31/2015	
	253 STATE BANKS	15 NATIONAL BANKS	268 ALL BANKS	280 ALL BANKS	PERCENT CHANGE
ASSETS					
Cash and Due from Banks	6,958	1,448	8,406	7,289	15.3%
Investment Securities	31,029	9,005	40,034	38,179	4.9%
Total Loans and Leases	78,116	14,167	92,283	86,066	7.2%
Less: Reserves	993	147	1,140	1,147	-0.6%
Federal Funds Sold	1,172	331	1,503	1,413	6.4%
Fixed Assets	1,977	380	2,357	2,409	-2.2%
Other Real Estate	304	12	316	412	-23.3%
Intangible Assets	751	124	875	836	4.7%
Other assets	3,243	698	3,941	3,735	5.5%
TOTAL ASSETS	\$122,557	\$26,018	\$148,575	\$139,192	6.7%
LIABILITIES					
Total Deposits	102,329	21,512	123,841	114,858	7.8%
Deposits over \$250M	4,368	796	5,164	4,607	12.1%
Brokered Deposits	14,643	309	14,952	9,587	56.0%
Federal Funds Purchased	4,462	1,942	6,404	6,693	-4.3%
Other liabilities	3,486	360	3,846	3,944	-2.5%
Total Equity Capital	12,280	2,204	14,484	13,697	5.7%
TOTAL LIABILITIES + EQUITY CAPITAL	\$122,557	\$26,018	\$148,575	\$139,192	6.7%
EARNINGS					
Interest Income	3,949	723	4,672	4,385	6.5%
Interest Expense	347	43	390	356	9.6%
Net Interest Income	3,602	680	4,282	4,029	6.3%
Provision for Loan Losses	133	41	174	126	38.1%
Net Income	1,269	198	1,467	1,328	10.5%
Cash Dividends	545	58	603	885	-31.9%
Net Loan Losses	107	30	137	118	16.1%